



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

November 10 , 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

This memorandum contains an update on the status of Water Supply and Reliability legislation; and the status of County-supported AB 188 which makes necessary changes to implement the hospital provider fee legislation.

Status of Water Supply and Reliability Legislation

SBX7 2 (Steinberg), which would authorize the issuance of up to \$11.14 billion in State General Obligation bonds, was signed by the Governor on November 9, 2009, and would become effective if approved by California voters at the November 2010 General Election.

Specifically, this measure proposes funding for the following purposes: 1) regional water supply reliability (\$1.4 billion); 2) delta sustainability (\$2.25 million); 3) drought relief (\$455 million); 4) water storage (\$3.0 billion); 5) conservation and watershed protection (\$1.785 billion); 6) groundwater protection and water quality (\$1 billion); and 7) recycling and conservation (\$1.25 billion).

SBX7 2 allows up to 10 percent of funds allocated for each program to be expended for planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program. Administrative costs are capped at 5 percent, and no more than \$5.57 billion of the bond funding may be

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

expended before July 1, 2015. Bond funds are prohibited from being used to pay for environmental mitigation or compliance obligations, except in certain circumstances related to groundwater cleanup, and bond funding is prohibited from being used for the design or construction of Delta water conveyance facilities. In most cases, project applicants are required to pay 50 percent of total project costs, which may be waived or reduced by the Department of Water Resources (DWR) for projects that directly benefit a disadvantaged community or an economically distressed area.

SBX7 6 (Steinberg), which would establish a statewide groundwater monitoring program, was signed by the Governor on November 6, 2009 and becomes effective February 4, 2010.

Specifically, SBX7 6 allows local groundwater management entities to volunteer to assume responsibility to monitor groundwater elevation in all or a part of a basin or sub-basin; requires the DWR to work with each monitoring entity to determine the appropriate manner of reporting groundwater elevations; requires DWR to identify the extent of monitoring by 2012, and determine, in basins without monitoring, if there was a local party willing to conduct the monitoring or interest in developing a groundwater management association or plan; requires DWR to monitor groundwater elevation directly if no local agency volunteers to monitor groundwater elevation; prohibits State agencies from awarding water grants or loans to counties and specified agencies overlying groundwater basins that do not comply with groundwater monitoring requirements; requires DWR to update groundwater report by 2012, and in years ending in 5 and 0; and makes the bill contingent upon the enactment of SBX7 1 (Simitian) and SBX7 7 (Steinberg).

County-supported SBX7 7 (Steinberg), which would require the State to achieve a 20 percent urban water consumption reduction by December 31, 2020, and would mandate the development and implementation of more efficient agricultural water management practices by December 31, 2020, was signed by the Governor on November 10, 2009 and becomes effective February 4, 2010.

SBX7 8 (Steinberg), which would appropriate \$546 million from various funds authorized by Proposition 84, was signed by the Governor on November 6, 2009, and becomes effective February 4, 2010.

Specifically, this measure appropriates the \$546 million as follows: 1) \$250 million for integrated regional water management grants and expenditures for programs and projects that reduce dependence on Delta water supplies; 2) \$202 million for Delta flood control projects designed to reduce the potential for levee failures; 3) \$70 million for stormwater flood management grants; and 4) \$24 million for grants to local agencies in

Each Supervisor
November 10, 2009
Page 3

or around the Delta for the purpose of implementing natural community conservation plans. In addition, this measure requires mandatory reporting of water diversions, establishes civil sanctions for failure to file water diversion statements with the State Water Resources Control Board (SWRCB), and augments the SWRCB's budget by \$3.75 million for 25 permanent positions for water rights/surface water diversion reporting compliance and enforcement.

Status of County Advocacy Legislation

County-supported AB 188 (Jones), which makes necessary changes to implement the hospital provider fee legislation, was signed by Governor Schwarzenegger on November 5, 2009, and it becomes effective immediately.

We will continue to keep you advised.

WTF:RA
MR:EW:sb

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants